

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION (COLUMBUS)

AMBER GASCHO, <i>et al.</i> ,	:	
	:	
Plaintiffs,	:	Case No.: 2:11-cv-426
	:	
	:	Judge Smith
v.	:	
	:	Magistrate Judge King
GLOBAL FITNESS HOLDINGS, LLC,	:	
	:	
Defendants.	:	
	:	
	:	

**SUPPLEMENTAL DECLARATION OF JEFFREY D. DAHL WITH
RESPECT TO DEFICIENCY NOTICE AND CLAIMS ADMINISTRATION TASKS
COMPLETED AS OF FEBRUARY 10, 2014**

I, Jeffrey D. Dahl, declare as follows:

1. I am President of Dahl Administration, LLC (“Dahl”). Dahl has been retained as the Settlement Administrator for the above-captioned action. I previously submitted the *Declaration of Jeffrey D. Dahl with Respect to Notice and Claims Administration Tasks Completed as of January 21, 2014.*

2. I am responsible for supervising services provided by Dahl with respect to this action. I am over 21 years of age and am not a party to this action. I have personal knowledge of the facts stated herein and, if called as a witness, could and would testify competently thereto.

3. This declaration includes and describes: (i) preparation, distribution and processing of Opportunity to Cure Claims Deficiency Notices (“Class/Subclass Deficiency Notices”); and (ii) updated calculation of payment amounts.

**OPPORTUNITY TO CURE CLAIM DEFICIENCY NOTICES FOR CLASS
MEMBERSHIP**

4. Dahl prepared a Notice for Claimants who timely filed a Claim Forms but where the claimant could not be confirmed as an eligible Class Member based on Urban Active's records. A copy of the mailed "Class Deficiency Notice" is attached as Exhibit A.

5. Dahl received a total of 12,104 timely web claims that could not initially be matched to existing database records because they were filed without the claimant ID number listed on the notice. Dahl first used a programmatic matching to match new claims with existing database records whenever possible. All claims that could not be programmatically matched were manually reviewed and matched to existing database records whenever possible. After the two attempts at matching claims to existing database records, a total of 3,964 claims remained unmatched. Of those, Dahl identified 545 that are potentially fraudulent claims. Potentially fraudulent claims were identified when a single mailing address was used for a large number of seemingly unrelated claimants that could not be linked to the Defendant's source data or when one IP address identified a single computer that was used to file a large number of claims.

6. Dahl sent a total of 3,964 Class Deficiency Notices to claimants regarding their class eligibility. Of those, 62 were sent by mail on January 17, 2014, to claimants with no email address, and 3,902 were sent by email on January 18, 2014. Of the 3,902 emails sent, 748 were not delivered. For the 748 claimants whose emailed Class Deficiency Notices were not delivered, mailed letters were sent on January 20, 2014.

7. Dahl received a total of 358 responses to the Class Deficiency Notice. Of those, Dahl was able to validate the claims of 343 of the claimants who responded to the Class Deficiency Notice. Fifteen (15) of the responding Claimants provided insufficient information. Dahl will be contacting the 15 claimants who provided insufficient information in order to determine if their claim can be validated for payment.

OPPORTUNITY TO CURE CLAIM DEFICIENCY FOR SUBCLASS MEMBERSHIP

8. Dahl prepared a Notice for Class Members who timely filed Claim Forms that were confirmed as an eligible Class Member but whose claims indicated Subclass membership greater than the data provided by Urban Active. Claimants were sent a customized letter requesting only information about the subclasses for which they had claimed, but for which Dahl was unable to confirm membership. A copy of the mailed Subclass Deficiency Notice under the FIF subclass, the Gym Cancel subclass and the PT Cancel subclass is attached as Exhibit B.

9. On January 30, 2014, Dahl sent a total of 20,473 Subclass Deficiency Notices to claimants whose claims indicated subclass membership greater than the data provided by Defendant. Of those, 2,909 were sent by mail to claimants with no email address and 17,564 were sent by email to claimants with email addresses. Of the 17,564 emails sent, 398 were not delivered. For the 398 whose emailed Subclass Deficiency Notices were not delivered, mailed letters were sent on February 3, 2014.

10. As of February 10, 2014, Dahl has received 2,464 responses to the Subclass Deficiency Notices and is currently reviewing the responses and updating claim records. As responses are reviewed, Dahl will contact any claimant who responded with insufficient information to give him/her an additional opportunity to provide information that would validate his/her claim.

UPDATED PAYMENT CALCULATIONS AND RESULTS

11. Dahl is also responsible for calculating payments for Allowed Claimants. As part of its review, Dahl compared the subclass eligibility data provided by Defendant with the subclasses claimed by the Class Member on a claim-by-claim basis.

12. For Claim Forms where the subclasses claimed matched the subclasses provided by Defendants or where the subclasses provided by Defendant resulted in a higher payment than

the amount claimed, Dahl has deemed the claims to be complete and award amounts have been assigned based on the Defendant subclass data.

13. After validating additional Class Members though the Class Deficiency Notice process described in paragraphs 4-7 above, Dahl has validated and calculated final award amounts for 29,341 Allowed Claimants, resulting in a total Class Payment of \$1,070,895.00. For these approved claims, the average Class Member will receive payment of \$36.50. For those Class Members that are also in the Gym Cancel Subclass, the average payment is \$44.07. Claim counts by Award Amount are as follows:

Award Amount	Claim Count
\$5.00	1,217
\$25.00	13,561
\$35.00	404
\$45.00	10,432
\$55.00	1,866
\$75.00	1,861
	29,341

14. Of the 29,341 Claim Forms for which awards are final, subclass membership counts are:

Subclass	Value	Claim Count	Percent of Claims	Award
Gym Membership (all claims)	\$5.00	29,341	100.00%	\$146,705.00
Facility Improvement Fee (FIF)	\$20.00	23,721	80.85%	\$474,420.00
Gym Membership Cancel	\$20.00	16,282	55.53%	\$325,840.00
Personal Training Cancel	\$30.00	4,131	14.08%	\$123,930.00
Total Class Payment				<u>\$1,070,895.00</u>

15. For the remaining 20,469 Allowed Claimants who indicated subclass membership in an amount greater than the data provided by Defendant, Dahl will determine the proper Claim Awards and additional Class Payment pursuant to its duties as set forth in the Settlement Agreement. The dollar value disparity between the claimed subclass awards and Defendant's records is \$486,835.00 to \$1,094,285.00. In other words, at a minimum these 20,469 Class

Members are entitled to \$486,555.00 and the maximum amount that would be awarded to these Class Members is \$1,094,285.00.

16. With the addition of the 358 previously unknown/unidentified Class Members as described in paragraph 7 above, the total number of Allowed Claimants now equals 49,810. The minimum payment to the entire Class/Subclasses will be \$1,557,450.00 and the maximum payment to the entire Class/Subclasses will be \$2,165,180.00¹.

17. After additional information was provided by Defendant, duplicate records eliminated and database records consolidated, the final subclass counts for all Class Members are as follows:

Subclass	Count
Gym Membership	605,735
Facility Improvement Fee (FIF)	300,017
Gym Membership Cancel	323,518
Personal Training Cancel	50,038

I declare under the penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 11th day of February, 2014 in Minneapolis, Minnesota.



Jeffrey D. Dahl
President
Dahl Administration, LLC

¹ Preparation of this Supplemental Declaration identified a mathematical error in the calculation of the maximum payment amount reported in paragraph 38 of the previously filed *Declaration of Jeffrey D. Dahl with Respect to Notice and Claims Administration Tasks Completed as of January 21, 2014*. The maximum payment amount was reported as \$2,003,415.00; the correct amount at that time was \$2,149,875.00, which is the sum of \$1,055,910.00 and \$1,093,965.00.

Exhibit A

URBAN ACTIVE SETTLEMENT
C/O DAHL ADMINISTRATION
PO BOX 3614
MINNEAPOLIS MN 55403-0614

<<MAIL DATE>>

«ID»
«NAME»
«ADDRESS1»
«ADDRESS2»
«CITY» «STATE» «ZIP»

Dear Claimant:

In order to process your claim, we require additional information from you to verify your Urban Active membership. We have reviewed the claim form that you filed and compared it to Urban Active's records. Unfortunately, based on the information available, we have not been able to confirm that you were a member of Urban Active Fitness between January 1, 2006 and October 26, 2012.

Please provide whatever information you can to establish your status as a Class Member. Examples of helpful information include any of the following:

1. Membership Number (if known)
2. Name the Membership Account was registered under
3. Address at time of Membership
4. The name or location of the Club(s) you belonged to
5. Approximate start date of Membership, and if applicable, approximate end date of Membership
6. Copy of your membership contract or other documents such as receipts, bank records or credit card records showing that you were charged by, or a member of, Urban Active Fitness during the Class Period.
7. Any other information or documents that would support your claim.

For identification purposes, please include your Claim Number (listed at the top of this Notice) in your response. This information must be postmarked or sent via fax or email no later than seven (7) days from the date of this Notification. Information should be emailed to Claims@UrbanActiveLawsuit.com, faxed to 1-952-955-4589, or returned by mail to our office at Urban Active Fitness Settlement, P.O. Box 3614, Minneapolis, MN 55403-0614.

If you do not respond by <<MAIL DATE + 7>> or if your response does not contain sufficient information to establish that you are a member of the Class as determined by the Claims Administrator, then your claim will be denied.

If you have any questions about this Deficiency Notice or the information required, please email Claims@UrbanActiveLawsuit.com or call 952-562-3611.

Sincerely,

Office of the Claims Administrator

Exhibit B

URBAN ACTIVE SETTLEMENT
C/O DAHL ADMINISTRATION
PO BOX 3614
MINNEAPOLIS MN 55403-0614

<<MAIL DATE>>

«DAHLID» - «FORM_NO»
«CLAIMANT_NAME»
«FB_ADDRESS_LINE_1»
«FB_ADDRESS_LINE_2»
«FB_CITY» «FB_STATE» «FB_ZIP_CODE»
«FB_COUNTRY»

Re: Notice of Opportunity to Cure Claim Deficiency - Urban Active Fitness Settlement

Dear Claimant:

We have received your Urban Active Claim Form and confirmed that you are a Class Member eligible to recover money under the Settlement Agreement. We are now in the process of calculating the amount of your final claim award. Unfortunately, the information you submitted regarding Subclass eligibility does not match Urban Active's records with respect to the Subclasses listed below. Therefore, we are contacting you to request additional information regarding your membership in the Subclasses listed below. Please provide whatever information you can to establish your eligibility for the following subclasses which were listed on your Claim Form, but do not match Urban Active's records:

The “FIF” Subclass: To be eligible for a payment for this subclass, you must have paid a \$15 Facility Improvement Fee, Club Administrative Fee, or any other biannual \$15 fee to Urban Active on or between April 1, 2009, and October 26, 2012. We could not confirm you paid this fee based on Urban Active's records. Please submit any additional information you have regarding your membership in the FIF Subclass.

The “Gym Cancel” Subclass: To be eligible for a payment for this subclass, you must have cancelled a gym membership contract with Urban Active on or between January 1, 2006, and October 26, 2012. We could not confirm your gym membership was cancelled based on Urban Active's records. Please submit any additional information you have regarding your membership in the Gym Cancel Subclass.

The “Personal Training Cancel” Subclass: To be eligible for a payment for this subclass, you must have cancelled a personal training contract with Urban Active on or between January 1, 2006, and October 26, 2012. We could not confirm you cancelled a personal training contract based on Urban Active's records. Please submit any additional information you have regarding your membership in the Personal Training Cancel Subclass.

URBAN ACTIVE SETTLEMENT
C/O DAHL ADMINISTRATION
PO BOX 3614
MINNEAPOLIS MN 55403-0614

Examples of helpful information include any of the following:

1. Membership Number (if known)
2. The name or location of the Club(s) you belonged to
3. Copy of your membership contract or other documents such as receipts, bank records or credit card records showing that you paid a \$15 fee.
4. Copy of documents confirming a gym membership cancellation or the payment of a \$10 cancellation fee.
5. Copy of documents confirming you cancelled a personal training contract or paid a \$10 cancellation fee.
6. Any other information or documents that would support your claim for the subclasses listed in this Notice

For identification purposes, please include your Claim Number (listed at the top of this Notice) in your response. This information must be postmarked or sent via fax or email no later than seven (7) days from the date of this Notification. Information should be emailed to Claims@UrbanActiveLawsuit.com, faxed to 1-952-955-4589, or returned by mail to our office at Urban Active Fitness Settlement, P.O. Box 3614, Minneapolis, MN 55403-0614.

If you do not respond by <<MAIL DATE + 7>>, or if your response does not contain sufficient information to establish that you are a member of the subclasses listed in this Notice, your claim will be paid based on Urban Active's records.

If you have any questions about this Deficiency Notice or the information required, please email Claims@UrbanActiveLawsuit.com or call 1-952-562-3603.

Sincerely,

Office of the Claims Administrator